



VETERANS EDUCATION SUCCESS

STATEMENT FOR THE RECORD

A REVIEW OF HIGHER EDUCATION OPPORTUNITIES
FOR THE NEWEST GENERATION OF VETERANS

BEFORE THE

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY

COMMITTEE ON VETERANS AFFAIRS

U.S. HOUSE OF REPRESENTATIVES

MARCH 17, 2015

Chairman Wenstrup, Ranking Member Takano, and Members of the Subcommittee:

Veterans Education Success (VES) appreciates the opportunity to share its perspective on the topic of today's hearing—higher education opportunities for the newest generation of veterans. VES is a non-profit organization focused on protecting the integrity and promise of the GI Bill and other federal educational programs for veterans and servicemembers.

What VES Has Learned from Its Work with Veterans

On-Campus Supports: In our work helping veterans with their college careers, it is clear that on-campus supports are critical. In order to make a difference, on-campus supports must be robust and student-oriented, rather than administration-oriented. They are best when a veteran is hired to provide the support. Executive Order 13607 requires schools to establish a veterans' point of contact on campus, and this is an opportunity for schools to provide a real support and ally to veterans. Schools should not appoint a recruiter or financial aid officer to this position (as their goals may collide with the veterans' best interest) but should instead appoint a student-oriented academic advisor.

VA Processing Time: VES is pleased that VA processing times are faster. VES, however, continues to help veterans who were significantly harmed by processing time delays. Primarily, we see veterans who were forced to take out loans (or sometimes even signed up for loans without their permission or knowledge) to cover the gap of the VA processing time delays. When the VA funds finally arrive, schools "refund" the extra money to the veterans, but too often veterans are not informed that the "refund" is a loan

they must repay. Too many veterans are still struggling under enormous debt. For example, one of our clients, a Marine, used up his entire GI Bill but still has \$70,000 in debt for an unaccredited, worthless degree, and another Marine has approximately \$40,000 in debt, on top of his full GI Bill benefits. The goal of the Post-9/11 GI Bill is to ensure that the men and women who served this country can attend college debt-free. VA processing delays cause more harm to veterans than VA realizes.

What Veterans Are Saying About the Tools Available: VES continues to assist countless veterans who feel misled by VA in their college choice. Veterans tell us the VA approval of GI Bill benefits for a school acts as a “stamp of approval,” and that they do not understand how VA could mislead veterans by giving such a “stamp of approval” to programs that are fairly obviously not going to help any veteran transition to a civilian career. The VA’s GI Bill College Comparison Tool is a start, but it is missing important data points and factors, as well as “Know Before You Enroll” tips.

Implementation of Executive Order 13607 & Public Law 112-249

The goals of the Executive Order (EO) and P.L. 112-249¹ were to help ensure that individuals using military and veterans educational benefits (1) have the comprehensive information they need to make informed choices about schools, programs, and financial aid, and (2) are adequately protected from aggressive and deceptive targeting. While several key provisions of the EO and some elements of the Public Law have been implemented, full implementation is missing and needed.

Schools’ Compliance with the Principles of Excellence (POE). Schools that volunteer to participate in the POE agree to adhere to the following requirements: (1) provide cost information using a standardized form that shows total costs, offsets from benefits and financial aid, and estimated student loan debt upon graduation; (2) refrain from pushing private loans; (3) end fraudulent and unduly aggressive recruiting techniques; (4) obtain accreditation for new programs before enrolling students; (5) guarantee readmission after deployments; (6) align institutional refund policies with those of the Department of Education; (7) provide veterans with education plans; and (8) designate campus points of contact for veterans.

Implementation Status and Challenges. According to VA, more than 6,000 educational institutions have agreed to abide by the Principles of Excellence. VA, however, has not established a systematic way to verify that schools are actually in compliance with the POE guidelines. Without effective oversight, schools can falsely advertise their adherence to the guidelines. A POE compliance checklist should be incorporated into all existing SAA and VA school inspections. For example, to ensure schools are not engaged in fraudulent or unduly aggressive recruiting, the inspections could ask for and review schools’ advertising and recruiters’ materials.

¹Executive Order 13607, *Principles of Excellence for Educational Institutions Serving Service Members, Veterans, Spouses, and Other Family Members*, April 27, 2012. P.L. 12-249, *Comprehensive Veterans Education Information Policy*, Jan. 10, 2013.

SAAAs and VA should also incorporate a checklist to ensure schools are abiding by P.L. 112-249's ban on incentive compensation.

Veteran-Specific Outcome Measures. The POE requires DOD, VA, and ED to develop veteran-specific outcome measures using, to the extent possible, existing administrative data to minimize the reporting burden on schools.

Implementation Status and Challenges. To date, no veteran-specific outcome measures such as veterans' graduation rates or average veteran student debt are available. VA plans to begin reporting some veteran-specific outcome measures on its GI Bill Comparison Tool website in the spring of 2015 using VA data. However, no efforts are underway to report average veteran student loan debt.

GI Bill College Comparison Tool. The Principles of Excellence requires a streamlined college comparison tool, and P.L. 112-249 requires VA to develop a centralized mechanism for tracking and publishing feedback from students and SAAs regarding the quality of instruction at schools, their recruiting practices, and post-graduation job placements. In addition, P.L. 112-249 requires VA to ensure its online tool (1) can help a veteran or service member assess whether he or she is academically ready to engage in post-secondary education and whether any remedial preparation is needed, and (2) enables a veteran or service member to search for schools "based on criteria selected by the veteran or member."

Implementation Status and Challenges: Although the GI Bill College Comparison Tool is up and running, there are several shortcomings:

- No feedback loop has been established for veterans who use their GI Bill benefits.
- No tools have been developed to help a veteran or servicemember assess whether he or she is ready for postsecondary education and whether any remedial preparation is needed.
- The GI Bill College Comparison Tool does not allow a veteran or servicemember to search for schools "based on criteria selected by the veteran or member"
- The GI Bill College Comparison Tool lacks some of the factors required by P.L. 112-249, including an explanation of the type of accreditation, the school's credit transfer policies, the availability of campus and career supports, the total enrollment, graduation rate, and retention rate, and contact information for the SAA and accreditor.
- No automated system exists to keep the Comparison Tool up-to-date as schools merge, close, or are sold.
- If a veteran compares a primarily 2-year school to a primarily 4-year school, the outcome measures are confusing because the rating standards for the three outcome measures vary by type of institution. The website does not contain an explanation of the difference.
- Although the VA includes a link to the FTC's *8 Questions to Ask When Choosing a College After Military Service* on its webpage, it is not sufficiently prominent and there are insufficient "Know Before You Enroll" tips.

Centralized Complaint System. The POE calls for the establishment of a centralized complaint system for veterans and requires VA to establish uniform procedures for VA and SAAs to share complaints and to make the complaints available to the appropriate state, accrediting agency, and ED officials.

Implementation Status and Challenges. The DOD and VA GI Bill Feedback Systems were launched on January 30, 2014 (<http://www.benefits.va.gov/gibill/feedback.asp>). However, VA has a large backlog of complaints. Of the 1,434 POE-related complaints, only 312 have been closed.² The complaints veterans have lodged on VA's new complaint system attest to the fact that schools' recruiting and marketing practices, explanation of tuition and fee charges, refund issues, and handling of student loans continue to be a problem. These topics were among the top seven categories of complaints received and reinforce the need for better oversight of schools' compliance with the POE guidelines.

Risk-Based Program Reviews. The POE requires VA to "establish procedures for targeted risk-based program reviews of institutions to ensure compliance with the Principles."

Implementation Status and Challenges. Although VA has established procedures for initiating reviews, they do not incorporate the "risk" areas outlined in the Executive Order. Reviews are not yet sufficient or robust.

Deceptive Websites and Trademark Military or Veteran-related Terms. The POE requires VA to ensure that websites and programs are not deceptively and fraudulently marketing to GI Bill beneficiaries and instructs VA to trademark the term "GI Bill" and other military and veterans-related terms.

Implementation Status and Challenges. After 8 months of prodding, the VA trademarked the term "GI Bill." However, neither DOD nor VA has registered any other trademarks since then, despite the existence of deceptive websites that portend to represent government program

Conclusion

Public Law 112-249 is more than 2 years old and the Principles of Excellence were announced almost 3-years ago, but key provisions have yet to be implemented and others suffer from implementation shortcomings. We urge you to use today's hearing to obtain VA's commitment to fully implement the Public Law and the Principals of Excellence.

Thank you for considering the views of VES on this important topic.

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²See http://www.benefits.va.gov/GIBILL/docs/Overview_GI%20Bill_Feedback%20System_CY14.pdf. VA published its report in January 2015.